

## ROUTING AND TRANSMITTAL

6/18

| TO: (Name, office symbol, room number, building, Agency/Post) |                           | Initials           | Date        |
|---|---------------------------|--------------------|-------------|
| 1.  | D/LOGISTICS <i>AED RW</i> | ✓                  | ✓           |
| 2.  | <i>EO</i>                 | <i>[Signature]</i> | <i>19/6</i> |
| 3.  | <i>DD/L</i>               | ✓                  | ✓           |
| 4.  | <i>Miss</i>               |                    |             |
| 5.  | <i>E/HOME</i>             |                    |             |

|  |   |                  |
|--|---|------------------|
| <input checked="" type="checkbox"/> Action | <input checked="" type="checkbox"/> File      | Note and Return  |
| <input type="checkbox"/> Approval          | <input type="checkbox"/> For Clearance        | Per Conversation |
| <input type="checkbox"/> As Requested      | <input type="checkbox"/> For Correction       | Prepare Reply    |
| <input type="checkbox"/> Circulate         | <input type="checkbox"/> For Your Information | See Me           |
| <input type="checkbox"/> Comment           | <input type="checkbox"/> Investigate          | Signature        |
| <input type="checkbox"/> Coordination      | <input type="checkbox"/> Justify              |                  |

## REMARKS

#1 - FOR ACTION -- PLS PREPARE A DIRECT REPLY WITH A DROP CY TO EO/DDA AND EXDIR/PLANS (ATTN: *[Redacted]*)

*[Signature]* *can you handle?*  
SUSPENSE: JULY 1984

(You may have some information from a possible previous study when we had the oil crunch some years back. Contact *[Redacted]* for details in preparing this response.)

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

|  |                |
|--|----------------|
| FROM: (Name, org. symbol, Agency/Post) | Room No.—Bldg. |
| EO/DDA: <i>[Redacted]</i>              | Phone No.      |

5041-102

☆ GPO : 1983 O - 381-529 (301)

OPTIONAL FORM 41 (Rev. 7-76)  
Prescribed by GSA  
FPMR (41 CFR) 101-11.206

Central Intelligence Agency  
Washington, D.C. 20505

15 JUNE 84

Planning Staff

NOTE FOR: EXECUTIVE OFFICER / DDA

FROM:

Please have the appropriate  
office respond to the  
attached request from  
FEMA. Also, please provide  
me a copy of the response.

STAT

STAT



# Federal Emergency Management Agency

Washington, D.C. 20472



DD/A Registry  
24-1787

JUN 14 1984

STAT

Office of Executive Director  
Central Intelligence Agency  
Room 7E19  
Washington, DC 20505

Dear Emergency Coordinator:

The Domestic and International Energy Policy Group has requested that this agency query the Federal establishment for potential impacts of an oil supply disruption on agency programs and operations. To most Federal civil agencies, fuel price and availability is only a very minor direct consideration. To others, such as the Postal Service, it may be significant. For some, the major impact may be in program areas such as a need for increased financial assistance to the aged, the handicapped and the poor in meeting increased heating bills.

In determining the impact an oil supply disruption would have upon your agency, please use the enclosed guidelines. Please respond in writing by July 15, 1984.

Your cooperation in this effort will be appreciated. Mr. Robert Frandsen, (202) 287-3952, will provide staff support for this agency on this project.

Sincerely,

A handwritten signature in black ink, appearing to read "Paul K. Krueger", is written over a horizontal line.

Paul K. Krueger  
Assistant Associate Director  
for Resources Preparedness

Enclosures

GUIDELINES FOR IMPACT ASSESSMENTPolicy

- A free market policy will apply.
- Prices will be allowed to rise so that supply will balance demand.
- Although supply will be reduced, there will be virtually no gasoline lines such as occurred during the seventies, this is due to higher prices causing users to curtail demand.
- There will be no fuel rationing.
- There may be some use of priorities and allocations of fuel, but this will be restricted to National defense purposes as authorized under the Defense Production Act.

Price and Economic Impacts

|   | Current | 12-Month Average |          |
|---|---------|------------------|----------|
|   |         | Moderate*        | Severe** |
| World Oil Price, \$bbl                    | \$29.00 | \$40.00          | \$63.00  |
| Gasoline Prices, \$gal                    | 1.20    | 1.49             | 2.02     |
| Heating Oil Prices, \$gal                 | 1.10    | 1.35             | 4.59     |
| U.S. GNP Loss (% points)                  |         | 1.5              | 2.9      |
| Inflation Rate (CPI) Increase (% points)  |         | 2.3              | 4.3      |
| Unemployment Rate Increase (% points)     |         | 0.6              | 1.2      |
| Industrial Production Decrease (% points) |         | 3.3              | 6.2      |

\*90% of high end of range for Case 2 with no SPR drawdown.

\*\*90% of high end of range for Case 4 with U.S. SPR drawdown only.